

September 14, 2005 / Good afternoon Mr. Chair, Members of the Committee:

My name is Terry Mundell, and I am the President & CEO of the Ontario Restaurant Hotel & Motel Association. It is my pleasure to have the opportunity to speak with you this afternoon regarding Bill 159, the *Private Securities and Investigative Services Act*.

The Ontario Restaurant Hotel & Motel Association (ORHMA) is a non-profit industry association that represents the foodservice and accommodation industries in Ontario. With over 4,100 members province-wide, representing more than 11,000 establishments, the ORHMA is the largest provincial hospitality industry association in Canada. Ontario's hospitality industry is comprised of more than 3,000 accommodation properties, and 22,000 foodservice establishments.

Let me first begin by stating that the hospitality industry is committed to ensuring the safety and protection of their customers, staff, and the public, and accordingly, the ORHMA supports the intent of the legislation.

The ORHMA is very pleased to have a seat on the Private Securities and Investigative Services Advisory Committee, as the sole representative of the hospitality industry. Participation on the Advisory Committee allows the ORHMA and our members to consider and respond to draft regulations and to ensure that the concerns and realities of the hospitality industry are reflected in the regulations. However, having said that, the ORHMA does have serious reservations with the legislation which if left unamended may have serious implications for both the foodservice and accommodations sectors.

The legislation requires all security guards to undergo training and testing in order to become licensed security practitioners. The ORHMA, while supporting these

guiding principles, has serious concerns with the definition of the term “Security Guard” [2(4)] and the use of the term “bouncer” [2(4)(c)] which is undefined in the legislation.

Let me first discuss the impact this legislation will have on the foodservice industry. Under the Liquor License Act operators are responsible for ensuring that no minors are served alcohol. For this reason several bars have door staff located at the front entrance of the property to verify identification to ensure that all patrons are of the age of majority. The legislation makes no distinction between door staff checking identification and door staff specifically responsible for the safety and security of patrons and staff.

Furthermore, the legislation defines a security guard as “one who performs work, for remuneration, that consists *primarily* of protecting persons or property” [2(4)]. It is not uncommon practice for a staff person to perform security duties for only a portion of a night, or perhaps only on Friday and Saturday evenings, while performing other duties throughout the remainder of their shift or of the week. Are these individuals to be licensed too? The use of the word *primarily* then comes in to question.

There is also a concern that licensed establishments in Northern Ontario, who typically do not have security personnel but who may periodically employ someone to act as a security practitioner on a special occasion, may experience difficulty in accessing a licensed security guard due to their location. Bill 159 requires such operators to use the services of a licensed security guard from a licensed security company, and surely access is a concern.

Hoteliers however will be potentially impacted in a number of ways. Some large hotels currently employ the services of security guards through third party security

companies. These security companies under the new Act would be required to be licensed and to ensure that all security staff are also licensed practitioners. The government must ensure that the onus for ensuring the good standing of these security practitioners lies solely with the licensed security company they are directly employed by.

Similarly, it is common practice for large groups, such as a school group, staying at a hotel to employ the services of a security company. Hoteliers question who would be liable for ensuring that the company hired is in good standing, the group organizer or the hotel?

Further, hoteliers have raised a significant concern with the definition of security that, we believe, goes beyond the intent of the legislation. It is a common practice within the accommodation industry for managers to do regular rounds of each department within the facility to act on behalf of a manager not currently on shift. Acting Managers on Duty would deal with issues such as human resource issues, disgruntled guests, or emergency situations, and part of their duties would include security rounds although this is not a primary duty. The ORHMA questions if it is indeed the intention of the government that all hotel managers and assistant managers actually become licensed security guards? Common sense would suggest not, but again the definition is vague and clarification is warranted.

As mentioned, the hospitality industry is committed to providing a safe environment for patrons, staff and the public. I would point out to the Committee that 60% of the hospitality industry is independently owned and operated. Pre-tax profit margins range from 3.7% to 4.3%, and I would encourage the Committee to be mindful of the economic reality of the hospitality industry when considering the cost burden this

legislation may impose. Training standards and testing standards must be developed with the mindset that they not be cost prohibitive.

In order to ensure support from the hospitality industry the ORHMA recommends that this Committee amend the definition of security guard. Such an amendment should more clearly define who is, and therefore who is not impacted by this legislation. The ORHMA would further recommend that this Committee define the term bouncer.

As a final note, let me state clearly that the safety or patrons, staff, and the public is paramount within the hospitality industry.

Thank you for your time.